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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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MAR 10 2010

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COMMISSIONERS

KRISTIN K. MAYES - Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP

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AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF:

DOCKET NO. S-20719A-09-0583

MORGAN FINANCIAL, L.L.C., an Arizona limited liability company,

and

JIMMY HARTGRAVES JR. and LAURIE HARTGRAVES, husband and wife,

RESPONDENTS.

THIRD
PROCEDURAL ORDER
(Schedules Status Conference)

BY THE COMMISSION:

On December 30, 2009, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Morgan Financial, L.L.C., an Arizona limited liability company ("Morgan") and Jimmy Hartgraves, Jr. and Laurie Hartgraves, husband and wife, (collectively "Respondents") in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of notes.

The Respondents were duly served with copies of the Notice.

On January 28, 2010, a request for hearing was filed by Respondents.

On February 2, 2010, by Procedural Order, a pre-hearing conference was scheduled on February 25, 2010.

On February 12, 2010, a Stipulation to Continue the pre-hearing conference was filed by the parties stating that due to conflicts in Respondents' counsel's schedule a continuance was necessary. Subsequently, by Procedural Order, the pre-hearing conference was continued to March 9, 2009.

On March 9, 2010, the Division and Respondents appeared through counsel. Counsel for the Division indicated that discussions are being conducted with Respondents' counsel and requested that

1 a status conference be scheduled in approximately 45 days.

2 Accordingly, a status conference should be scheduled.

3 IT IS THEREFORE ORDERED that a **status conference** shall be held on **April 26, 2010 at**
4 **10:00 a.m.**, at the Commission's offices, 1200 West Washington Street, Room 100, Phoenix,
5 Arizona.

6 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
7 Communications) applies to this proceeding as the matter is now set for public hearing.

8 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance
9 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
10 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances
11 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is
12 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the
13 Administrative Law Judge or the Commission.

14 IT IS FURTHER ORDERED that in the event a resolution of the matter is reached between
15 the parties, the Division shall request that the status conference be vacated.

16 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules
17 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to practice of law and admission
18 *pro hac vice*.

19 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive
20 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

21 DATED this 10th day of March, 2010.

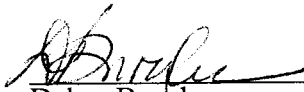
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23
24 
25 MARC E. STERN
26 ADMINISTRATIVE LAW JUDGE
27
28

1 Copies of the foregoing mailed/delivered
2 this 10th day of March, 2010 to:

3 Donald J. Newman
4 KELLER, KELLER & NEWMAN, L.L.P.
5 7330 North 16th Street, Suite C-117
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7 Attorneys for Respondents

8 Matt Neubert, Director
9 Securities Division
10 ARIZONA CORPORATION COMMISSION
11 1300 West Washington Street
12 Phoenix, AZ 85007

13 ARIZONA REPORTING SERVICE, INC.
14 2200 North Central Avenue, Suite 502
15 Phoenix, AZ 85004

16 By: 
17 Debra Broyles
18 Secretary to Marc E. Stern
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